

Recommendation for Funding and Deficit Reduction

Figure 1. Schedule for Reducing VSC's Structural Deficit

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027 & Beyond
VSC Total Operating Deficit	45					
COVID Mitigation (Assumes additional fed stimulus)	20	?	?			
Existing VSC Structural Deficit	25	20	15	10	5	0
Reductions in VSC Structural Deficit (Annual)	5	5	5	5	5	
Reductions in VSC Structural Deficit (Cumulative)	5	10	15	20	25	

Figure 2. State Investments in Transformation and Ongoing Support at VSC

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027 & Beyond
State Investment in Transformation	25	20	17	10	5	
Operational	20	15	15	10	5	
Capital (eliminate underutilized space, renewal/refurbishments)	5	5	2			
State Ongoing Investments in Improved Capacity and Affordability at VSC	17.5	17.5	17.5	17.5	17.5	17.5
Operational	10	10	10	10	10	10
Capital (deferred and major maintenance)	7.5	7.5	7.5	7.5	7.5	7.5
Total Additional State Investments in VSC	42.5	37.5	34.5	27.5	22.5	17.5
Historic VSC State Appropriation	30	30	30	30	30	30
Total State Investments to VSC	72.5	67.5	64.5	57.5	52.5	47.5
Ongoing State Investments in Affordability through VSAC	5	5	5	5	5	5
Total Additional State Investments to VSC & VSAC (Above FY 2020 Levels)	47.5	42.5	39.5	32.5	27.5	22.5

